



# COMMONWEALTH of VIRGINIA

## Department of Health

ROBERT B. STROUBE, M.D., M.P.H.  
STATE HEALTH COMMISSIONER

P O BOX 2448  
RICHMOND, VA 23218

TTY 7-1-1 OR  
1-800-828-1120

Dear Interested Party:

Enclosed is information on the Loan Repayment Programs offered in the state of Virginia. There are three programs: (1) National Health Service Corps (NHSC) Loan Repayment Program, (2) Bureau of Health Professions (BHP), Division of State, Community and Public Health, Virginia State Loan Repayment Program (VA-SLRP), and (3) Virginia Loan Repayment Program. NHSC-Loan Repayment Program is funded fully by federal dollars and is administered by the BHP, a federal agency. The VA-SLRP is funded through federal and state dollars, and the Virginia Loan Repayment Program (VLRP) is fully funded with state dollars. The Virginia Department of Health (VDH), Office of Health Policy and Planning (OHPP) administer both the VA-SLRP and the VLRP. The NHSC-Loan Repayment Program and the VA SLRP requires the practice location to be in a federally designated Health Professional Shortage Area (HPSA). The VLRP requires the practice location to be in a HPSA or a Virginia Medically Under-serve Area (VMUA). For the most recent HPSA and VMUA list visit:  
<http://www.vdh.virginia.gov/ppova/hpsa.htm>

All programs offer loan repayment of \$25,000 a year for a minimum two-year commitment; the money is taxable. In addition to loan repayment funds, the fully funded federal program offers an additional 39% of that amount to cover income taxes. The VA-SLRP and the VLRP do not offer additional funds for this purpose.

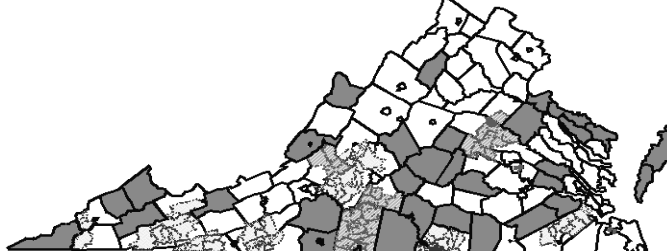
Should you need further information about any of these programs, please call the numbers listed on the enclosed forms. If you need help with finding a practice opportunity in Virginia, please contact Karen Reed 1-800-694-7349 or visit the Primary Practice Opportunities web site at <http://www.ppova.org>.

Sincerely,

A handwritten signature in cursive script that reads "Norma C. Marrin".

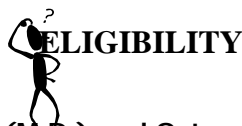
Norma C. Marrin  
Business Manager/Policy Analyst  
Email [Norma.Marrin@vdh.virginia.gov](mailto:Norma.Marrin@vdh.virginia.gov)

Enclosures



# VIRGINIA LOAN REPAYMENT PROGRAMS

There are two loan repayment programs in the state of Virginia. One is the Bureau of Health Professions (BHP), Division of State, Community and Public Health, Virginia State Loan Repayment Program (VA-SLRP), and the other is the Virginia Loan Repayment Program (VLRP). Both programs are intended to provide educational loan repayment assistance to primary care clinicians in return for a minimum of two years of full-time practice of their specialties at an eligible practice site located in medically underserved area of Virginia.



## ELIGIBILITY

An applicant must be:

- **A fully trained Allopathic (M.D.) and Osteopathic (D.O.) physician with a specialty of Family/General Practice, General Internal Medicine, General Pediatrics, Obstetrics/Gynecology or Psychiatry.**
- **A Primary Care Physician Assistant (VA-SLRP, only).**
- **A Primary Care Nurse Practitioner (VA-SLRP, only).**

An eligible practice site:

- **Must be located in a medically underserved area (VA-SLRP must serve in a federally designated Health Professional Shortage Area [HPSA]);**
- **Must be a public or private not-for-profit entity (VA SLRP only); and**
- **Must accept patients regardless of their ability to pay for services.**



## REQUIREMENTS

An applicant must:

- Λ **Agree to provide primary care services in a medically underserved area for a minimum period of 2 years with the ability to extend the obligation beyond 2 years for one year at a time, for a maximum of 4 years;**
- Λ **Be a citizen of the United States with a valid, unrestricted license to practice in Virginia;**
- Λ **Provide full-time primary care or psychiatry services;**
- Λ **Have completely satisfied any other service obligation for health professional service that is owed under an agreement with a federal, state, or other entity.**



## BENEFITS

Participants may receive:

- ⇒ **Up to \$50,000 for a 2-year commitment**
  - ⇒ **Up to \$85,000 for a 3-year commitment**
  - ⇒ **Up to \$120,000 for a 4-year commitment**
  - ⇒ **Plus - the salary and benefit package offered by your employer**
  - ⇒ **Plus - an opportunity to serve a friendly, family oriented community that highly values your service**
- To learn more about this program, please write or call:



Virginia Department of Health  
Office of Health Policy and Planning  
109 Governor St., 10<sup>th</sup> Floor, 1016 East  
Richmond, Virginia 23219  
(804) 864-7435  
FAX (804) 864-7440



# **VIRGINIA LOAN REPAYMENT PROGRAMS**

## **OVERVIEW**

### **I. GENERAL SUMMARY**

The Commonwealth of Virginia offers two Loan Repayment Programs. One is the Bureau of Health Professions (BHPr), Division of State, Community and Public Health, Virginia State Loan Repayment Program (VA SLRP) and the other is the Virginia Loan Repayment Program. Both offer substantial financial assistance for repayment of qualified medical education loans for primary care physicians, psychiatrists, nurse practitioners, and physician assistants. Loans are repaid in return for a minimum of two years of full-time practice of the recipient's specialty in a medically underserved area of Virginia. VA SLRP recipients must serve in a federally designated Health Professional Shortage Area (HPSA) of Virginia. The Virginia Loan Repayment recipients can serve in a HPSA or a designated Virginia Medically Underserved Area (VMUA).

Allopathic or osteopathic physicians who are in the final year of residency, or have completed residency and are board eligible or are board certified in family medicine, general practice (D.O.), obstetrics/gynecology, internal medicine, pediatrics, or psychiatry are eligible for program participation. Program applicants must not be obligated to any service under an agreement with a federal, state, or other entity.

Primary care nurse practitioners who have achieved the masters degree or a post-baccalaureate certificate, from a school accredited by the National League for Nursing, in the specialties of primary care, family care, primary ambulatory care, primary adult health care, pediatric care, or women's health nursing are eligible for program participation. Program applicants cannot owe any obligation for service under an agreement with a federal, state, or other entity.

Primary care physician assistants who have obtained a master's degree, a post-baccalaureate certificate, a baccalaureate degree, or a certificate from a school accredited by the Committee on Allied Health Education and Accreditation are also eligible for program participation. Applicants must not be obligated to any service under an agreement with a federal, state, or other entity.

This offer is open to physicians, psychiatrists, nurse practitioners and physician assistants who satisfy the criteria stated above whether or not they have started practicing medicine. It is more likely that an applicant with a signed contract will receive an LRP award, over an applicant that is not in practice, yet.

**Public and private not-for-profit** health care provider organizations that are part of a system of care (that is a service continuum of comprehensive primary care and appropriate arrangements for secondary and tertiary care), in communities that are located in federally designated HPSA are eligible to receive placement of physicians, nurse practitioners, and physician assistants. **This requirement is for participates in the VA SLRP program, only.**

It will be the responsibility of the employers and applicants to reach agreement on terms of employment, to notify the Virginia Department of Health (VDH), Office of Health Policy and Planning (OHPP) when tentative employment terms have been agreed to, and to execute employment contracts. VDH-OHPP requires a copy of the employment contract to determine eligibility.

## **II. BENEFITS AND OBLIGATIONS**

The Loan Repayment Programs pay up to \$25,000 a year toward the qualified educational loans of program participants. The minimum service obligation is 2 years, during which the maximum payment of \$50,000 will be paid the first year. Subsequent extensions of the loan repayment contract are entitled to annual loan repayments of up to \$35,000. (The actual amount paid depends on the total amount owed in principal, interest, and loan expenses at the beginning of the period of service.) These benefits are in addition to any salary or compensation received from employment by an authorized program employer.

## **III. ENTERING THE LOAN REPAYMENT PROGRAM**

Entry to either Loan Repayment Program requires:

- 1) Submission of an application and loan information and loan pay-off statements for all loans needing repayment assistance by the Loan Repayment Program;
- 2) Copy of your current license to practice in Virginia;
- 3) Signed certification stating that you are not delinquent on any federal debt. Examples of federal debt include direct or guaranteed student loans (such as health education assistance loans and health professions student loans), delinquent taxes and FHA loans;
- 4) Individuals born outside of the United States, Commonwealth of Puerto Rico, Commonwealth of Northern Mariana Islands, the Republic of Palau, the Virgin Islands, Guam, and American Samoa must submit documentary proof of their U.S. citizenship;

- 5) Submission of an eligible site application;
- 6) Copy of a signed employment agreement or contract with an approved site to begin service on a future agreed upon date;
- 7) Submission of the employer's Recruitment and Retention Assistance Application;
- 8) Signed and dated Loan Repayment Program contract; and
- 9) The signing of the Loan Repayment Program contract by the State Health Commissioner or his designee. A copy is returned to the participant.

Loan repayment program contracts obligate participants to practice their professions full-time (a minimum of 40 hours/week for a minimum of 45 weeks per year) for the period agreed upon (2-year minimum).

#### **IV. ELIGIBILITY REQUIREMENTS**

##### **Individuals Eligible to Participate**

The following are eligible to apply for participation in the Virginia's Loan Repayment Programs:

Citizens of the United States who:

- 1) Have a degree in allopathic medicine or osteopathic medicine; or
- 2) Have a master's degree or a post-baccalaureate certificate from a school accredited by the National League for Nursing; or
- 3) Have a master's degree, a post-baccalaureate certificate, a baccalaureate degree, or a certificate from a school accredited by the Committee on Allied Health Education and Accreditation for physician assistants; or
- 4) Are enrolled in an approved graduate training program ("residency") in allopathic or osteopathic medicine, nurse practitioner or physician assistant training; or
- 5) Are enrolled in an accredited educational institution in a state in the final year of a course of study or program leading to a degree in allopathic or osteopathic medicine, nurse practitioner or physician assistant certification.

Eligible individuals must sign and submit an application to participate in Virginia's Loan Repayment Programs and must have completely satisfied any other obligation for health professional service which is owed under an agreement with a federal, state, or other entity, prior to beginning the period of service under Virginia's programs.

### **Individuals Not Eligible to Participate**

The following are not eligible for participation in the Virginia's Loan Repayment Programs:

- 1) Persons who are not citizens or nationals of the United States, including permanent resident aliens or other aliens. (Applicants must be eligible for federal employment.);
- 2) Persons who have breached an obligation for service to a Federal, State, or local government entity, which has not yet been satisfied;
- 3) Persons who have unserved obligations for service to a Federal, State, or local government entity. (Please check with the VDH-OHPP if you have questions regarding such an obligation.);
- 4) Persons who lack an unrestricted license to practice their profession in a state; and
- 5) Persons who are delinquent on any federal debt.

## **V. VIRGINIA'S LOAN REPAYMENT PROGRAMS SERVICE OBLIGATIONS**

A license to practice in the State of Virginia is required.

### **Matching to Service Sites**

Loan repayment program participants are required to provide full-time clinical service at a service site for the period agreed to in the contract. These sites are specific primary health care or psychiatric employment opportunities in a medically underserved area of Virginia. VA SLRP participants are required to complete their obligation in a federally designated primary care Health Professional Shortage Area (HPSA) or a federally designated mental HPSA (for psychiatrists) that have been identified by VDH-OHPP as having a deficient of certain health professionals. Participants in the Virginia Loan Repayment may complete their obligation in a state or local government institution, e.g., Department of Health, Department of Mental Health, Mental Retardation, and Substance Abuse Services,

Department of Corrections, Community Services Board, Local Health District, etc.

### **Effective Date for Start of Service**

Applicants become participants in the either Loan Repayment Program only when the applicant and the State Health Commissioner or his designee have signed the contract. This contract specifies the period of obligated service for each applicant to provide primary health care or psychiatric services as determined by the State Health Commissioner. The effective date for start of obligated service under the contract is the date of employment or the date of the State Health Commissioner's signing, whichever is *later*.

Applicants' Loan Repayment Program contracts are signed by the State Health Commissioner when:

- 1) Applicants have concluded matches to sites satisfactory to themselves and VDH-OHPP; and
- 2) When written requests from the applicants have been received by VDH-OHPP for the State Health Commissioner to sign their contracts.

The State Health Commissioner's signature on the contract establishes a binding agreement in which the Loan Repayment Program agrees to make payments on participants' qualified loans, and participants agree to serve as approved by the State Health Commissioner for the stated years specified on their contract.

If contracted participants should fail to begin or complete the period of professional practice to which they have agreed, participants will be subject to the financial damages specified in the contract.

### **Leaving the Site (Changing Jobs)**

The Loan Repayment Program contract does not specify where participants will serve, only that they will serve as "determined by the State Health Commissioner" for the number of years to which they have agreed. Should participants find they are unable to carry out their service commitments at the service sites where they have matched, they will be expected to continue their service at another approved loan repayment service site selected in consultation with, and with the approval of, the Commissioner or his designee. If a Loan Repayment Program participant is terminated for cause by his loan repayment employment site, he is not entitled to a transfer and will be placed in default of his Loan Repayment Program contract.

If there is no break in service between the old and new sites, the Loan Repayment Program will continue to make loan repayments to the

participant. However, if such participant fails to match to another approved loan repayment service site within 10 business days (during which the loan repayments may be suspended or reduced), the State Health Commissioner, may assign them to another site, or for cause, deem that they are in default of their contract.

### **Compensation during Service**

Participants will negotiate their compensation package directly with their sites, based on the usual and customary income and benefits of other physicians and health professionals in the area with similar professional training and experience.

Further information on compensation levels may be obtained from VDH-OHPP. The fact that participants are benefiting from the Loan Repayment Program must have no bearing on the compensation package offered by sites. The compensation package of the site is separate and distinct from the amount the Loan Repayment Program is paying participants toward their loans.

## **VI. TRAINING DEFERMENTS AFTER STARTING SERVICE**

Once service has begun, the State Health Commissioner may grant deferments for further specialty training, if the site and VDH-OHPP recommend this to the State Health Commissioner. Loan payments are normally discontinued during these training deferments.

## **VII. LOAN REPAYMENT BENEFITS**

The financial benefits of the Loan Repayment Program consist of payments toward a participant's qualified loans.

### **Loan Repayment Benefits for the Initial 2 Years of Service**

For each year of an initial 2-year contract, the Loan Repayment Program will pay the lesser of \$25,000 or one-half of the balance of loans outstanding, plus interest, at the start of the 2 years of service.

### **Payments to Participants**

A lump sum payment of up to \$50,000 of loan repayment funds will be sent directly to the participant about 30 days after the start of service under the contract. The amount will be based on estimates of the loan balances. The remaining loan repayment funds of up to \$35,000, based on availability of funds, will be sent the following year.

Participants are required to use these funds to repay their loans regularly, as agreed with the lender, and are encouraged to make



multiple payments to more rapidly reduce the principal and interest on the loan.

### **Extending Participation**

Extensions of participation are contingent upon the appropriation of funds for the Loan Repayment Program by the Virginia General Assembly and by the U.S. Congress or both.

All participants are eligible to extend their contracts beyond the initially contracted years of service. Participants must apply in writing for extensions of their contracts at least 6 months prior to the end of their last contracted year of service.

For each one-year contract beyond the minimum two years of service, the Virginia LRP will pay the lesser of \$35,000 or the balance of loans outstanding at the start of the service year. If funds are available, participants may elect to continue their service at the same site.

## **VIII. LOANS QUALIFYING FOR REPAYMENT**

The Loan Repayment Payment will pay toward the principal, interest, and related expenses of government (federal, state, or local) and commercial loans obtained by the participant for:

- 1) School tuition and required fees for the undergraduate and graduate education incurred by the participant;
- 2) Other reasonable educational expenses required by the undergraduate and graduate school, including fees, books, and laboratory expenses, incurred by the participant; and
- 3) Reasonable living expenses, based on official student budgets by the schools for the periods of undergraduate and graduate education.

## **IX. DEFINITIONS**

"Commercial loans" are defined as loans made by banks, credit unions, savings and loan associations, insurance companies, schools, and other financial or credit institutions which are subject to examination and supervision in their capacity as lenders by an agency of the United States or of the state in which the lender has its principal place of business.

"Full-time" means at least forty (40) hours per week for a minimum of forty-five (45) weeks per year.

"Reasonable educational expenses" are the costs of education, exclusive of tuition, which are considered by a participant's school to be required by the school's degree program, such as fees, books, supplies, educational equipment and materials, and clinical travel, which was part of the estimated standard student budget of the school in which the participant was enrolled.

"Reasonable living expenses" are the costs of room and board, transportation and commuting costs, and other costs incurred during an individual's attendance at a college, university, and health professions school, as estimated each year by the school as part of the school's standard student budget.

### **Financial Obligations Not Qualifying for Repayment**

The following financial obligations are not qualified for repayment by the Loan Repayment Program:

- 1) National Health Service Corps Scholarship financial damages.
- 2) Indian Health Service Scholarship financial damages.
- 3) Loans for which documentation verifying the educational use of the loan is not available.
- 4) Loans, or that portion of loans, obtained for educational or personal expenses while at school, which exceed the "reasonable" level, as determined by the school's standard school budgets in the year the loan was made.
- 5) Loans that have been repaid in full.
- 6) Loans that incur an obligation for service that has not yet been performed.
- 7) Private loans made by family members or friends.

### **Tax Liability**

Payments to participants represent taxable income to the participants. The Loan Repayment Program reports each year to the Internal Revenue Service the payments it makes to or on behalf of all participants.

## **X. BREACHING THE LOAN REPAYMENT AGREEMENT**

### **Failing to Complete Medical School or Residency**

Participants whose contracts have been signed by the State Health Commissioner while they are postgraduate training or in residencies and who:

- a) Fail to maintain an acceptable level of academic standing in the educational institution in which they are enrolled, as determined by the institution; or
- b) Voluntarily terminate their enrollment at that institution; or
- c) Are dismissed from that institution before completing the course of study, and are unable to fulfill their contracted service obligations due to lack of educational credentials shall be liable to the Commonwealth of Virginia for any amount the Loan Repayment Program paid the participants under the contract.

### **Effects of Not Completing the 2-Year Minimum Service Obligation**

Regardless of the length of the agreed period of obligated service, participants who serve less than the 2-year minimum (but at least 1 year) are liable to pay monetary damages to the Commonwealth of Virginia as stated in the contract:

- a) The total amounts the Loan Repayment Program paid toward loan repayment, **plus**
- b) An unserved obligation penalty of \$1,000 for each month of service not served.

If the participant does not begin or complete the first year of service, the unserved obligation penalty will be \$1,000 for each month of the original period of obligated service stated in the contract, with no service credit for less than one (1) year of completed service.

*Example A:* Dr. Blue agreed to serve 3 years but left after 15 months of creditable service with only 8 week's notice. The Loan Repayment Program paid Dr. Blue 6 payments of \$1,110 totaling \$6,660.

Dr. Blue owes \$27,660 in monetary damages to the Commonwealth of Virginia, based on the \$6,660 the Loan Repayment Program paid to her, plus \$1,000 for each of the 21 months unserved because she did not complete 1 year of service. This amount is payable in 1 year.

*Example B:* Dr. Brown agrees to serve 4 years but decides to leave after 9 months of creditable service. The Loan Repayment Program made 4 payments of \$3,000 to him totaling \$12,000.

Dr. Brown owes \$60,000 in monetary damages to the Commonwealth of Virginia, based on the \$12,000 paid to him, plus an unserved obligation penalty of \$1,000 for each of the 48 months of the original service obligation. No service credit is given for the 9 months of service already performed because it was for less than 1 year.

### **Effect of Completing at Least 2 Years of a Service Obligation of More than 2 Years**

If a participant's original obligation under the Loan Repayment Program was for more than 2 years of service, and the participant stopped service after completing the 2-year minimum service obligation, the participant would owe the Commonwealth of Virginia for any payments the Loan Repayment Program made to the participant for which service was not performed.

In addition, if the participant fails to notify the Loan Repayment Program at least 1 year prior to the date of breach of an intention to stop service, the participant will also owe \$10,000 in monetary damages.

*Example:* Dr. Green agrees to serve for 4 years, but notifies the Loan Repayment Program 6 months into his service of his intention to quit upon completing the minimum 2 years of service.

Dr. Green will owe no financial damages as long as the service represented by the loan repayments that have been made has been performed. Also, the notice of breach was timely. If Dr. Green had waited until he had completed 13 months of service before notifying the Loan Repayment Program of his intention to stop service upon completion of 24 months of service, he would have owed the Commonwealth of Virginia additional financial damages totaling \$10,000.

### **Damages Payable in 1 Year**

Any amount which the Commonwealth of Virginia is entitled to recover because of a breach of the contract must be paid within 1 year from the day of breach, or for a longer period if the State Health Commissioner or his designee so decides. Failure to pay by the due date will incur delinquent charges provided by law.

### **Other Effects of Delinquency in Paying Damages**

If the financial damages owed because of breaching the contract are not paid for 3 months, the State Health Commissioner will refer the debt to a collection agency. Delinquencies of 60 days (or longer if the State Health Commissioner so determines) in paying damages of more than \$100 will be disclosed to appropriate credit reporting agencies.

### **Waiving the Government's Rights of Recovery**

The State Health Commissioner may waive, in full or part, the obligation for service or his rights to recover financial damages, whenever the Commissioner determines that compliance by the participant would be impossible, or would involve extreme hardship to the participant and enforcement of the obligation would be unconscionable.

### **Damages Not Dischargeable in Bankruptcy for 5 Years**

Any obligation of a participant (or a contract there under) for payment of damages may be released by a discharge in bankruptcy under Title 11 of the United States Code only if such discharge is granted after the expiration of the 5-year period beginning on the first date that payment of such damages is required, and only if the bankruptcy court finds that non-discharge of the obligation would be unconscionable.

# VIRGINIA LOAN REPAYMENT PROGRAM

## APPLICATION FORM

### Section 1 - Personal Data

Please type or print with ink.

Applicant Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Day Phone: (\_\_\_\_) \_\_\_\_\_ Evening Phone: (\_\_\_\_) \_\_\_\_\_

Social Security Number: \_\_\_\_\_ Race: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Birth Place: \_\_\_\_\_

Language other than English: \_\_\_\_\_

Read \_\_\_\_ Write \_\_\_\_ Speak (fluently) \_\_\_\_

### Section 2 - Medical Education

Professional School: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Date began medical school: \_\_\_\_\_ Date of Graduation: \_\_\_\_\_

Post-graduate Training/Residency: \_\_\_\_\_

Date Started Residency: \_\_\_\_\_ Date Completed: \_\_\_\_\_

Specialty: ☐ Family Practice ☐ Allopathic physician (M.D.)  
☐ General Internal Medicine ☐ Osteopathic physician (D.O.)  
☐ General Pediatrics ☐ Nurse Practitioner  
☐ Obstetrics/Gynecology ☐ Physician Assistant  
☐ Psychiatry ☐ Other (specify): \_\_\_\_\_

Board Eligible: ☐ Yes ☐ No

License Number: \_\_\_\_\_

Board Certified: ☐ Yes ☐ No

Certificate Number: \_\_\_\_\_

Any license restrictions? ☐ Yes ☐ No If yes, please specify: \_\_\_\_\_

### Section 3 - Practice Site

1. Applicant agrees to provide full-time primary care services at:

Practice Site Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Practice Site Contact Person: \_\_\_\_\_

Title: \_\_\_\_\_ Phone Number: \_\_\_\_\_

2. Applicant agrees to provide primary care services for:

\_\_\_\_\_ 2 years \_\_\_\_\_ 3 years \_\_\_\_\_ 4 years

### Section 4 - Educational Debt

Attach a **current** loan statement of pay-off balance statement for each loan listed. Loan statements may be dated either the same month the Application is submitted, or the prior month. The loan statements must contain the Applicant's name, account number and principle and/or pay-off balance.

1. Loan Holder: \_\_\_\_\_

Loan Holder Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Account Number: \_\_\_\_\_ Loan Balance: \_\_\_\_\_

2. Loan Holder: \_\_\_\_\_

Loan Holder Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Account Number: \_\_\_\_\_ Loan Balance: \_\_\_\_\_

3. Loan Holder: \_\_\_\_\_

Loan Holder Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Account Number: \_\_\_\_\_ Loan Balance: \_\_\_\_\_

4. Loan Holder: \_\_\_\_\_

Loan Holder Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Account Number: \_\_\_\_\_ Loan Balance: \_\_\_\_\_

### Section 5 – Certification

Certification: I hereby certify that the information given in this application is accurate and complete to the best of my knowledge and belief. I understand that it may be investigated and that any willful false representation is sufficient cause for rejection of this application.

Full Name: \_\_\_\_\_

Full Signature: \_\_\_\_\_ Date: \_\_\_\_\_

# VIRGINIA LOAN REPAYMENT PROGRAM

## Application for Recruitment (Site Application)

This application must be completed by those practices interested in employing a primary care physician who receives an award from the Bureau of Health Professions (BHP), Division of State, Community and Public Health, Virginia State Loan Repayment Program (VA-SLRP), or the Virginia Loan Repayment Program (VLRP). (Complete a separate application for each facility/satellite.)

1. NAME OF PRACTICE SITE: \_\_\_\_\_  
STREET ADDRESS: \_\_\_\_\_  
CITY: \_\_\_\_\_ COUNTY of: \_\_\_\_\_ STATE: \_\_\_\_ ZIP CODE: \_\_\_\_\_  
PHONE NUMBER: \_\_\_\_\_  
  
NEW SITE: ☐ YES ☐ NO EXISTING SITE: ☐ YES ☐ NO
2. NAME OF SPONSORING AGENCY: \_\_\_\_\_  
STREET ADDRESS: \_\_\_\_\_  
CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_  
PHONE NUMBER: \_\_\_\_\_
3. NAME OF RECRUITMENT CONTACT: \_\_\_\_\_  
TITLE: \_\_\_\_\_ PHONE NUMBER: \_\_\_\_\_
4. TYPE OF PRACTICE: (check all that apply)  
☐ Public/State Institution  
☐ Private-Non Profit → **must attach documentation of federal tax status, i.e. 501 (c) (3)**  
☐ Private-For Profit  
☐ Public Health Service Funded: ☐ Community/Migrant Health Center ☐ Other \_\_\_\_\_  
☐ Hospital ☐ Private Office ☐ Group Practice ☐ University ☐ Other \_\_\_\_\_
5. Please list the following:  
A. Number of persons served by this practice site: \_\_\_\_\_  
B. Number of users with income below 200% of federal poverty level: \_\_\_\_\_  
C. Number of users on Medicaid: \_\_\_\_\_ Medicaid Provider Number: \_\_\_\_\_  
D. Number of users on Medicare: \_\_\_\_\_  
E. Service area/county 5-year average infant mortality rate (if known): \_\_\_\_\_  
F. Service area/county 5-year average rate of low birth weight births (if known): \_\_\_\_\_  
G. Travel time/distance to the next source of routine primary health care available to users of this site? \_\_\_\_\_  
minutes or \_\_\_\_\_ miles
6. NUMBER OF FULL-TIME PROVIDERS AT THE SITE: (Also list if current/anticipated vacancies)  
A. Family Practice: \_\_\_\_\_  
B. Internal Medicine: \_\_\_\_\_  
C. Pediatrician: \_\_\_\_\_  
D. OB/GYN: \_\_\_\_\_  
E. Pyschiatry: \_\_\_\_\_  
E. Nurse Practitioner: \_\_\_\_\_  
F. Nurse Midwife: \_\_\_\_\_  
G. Physician Assistant: \_\_\_\_\_  
H. Other Physician/Practitioner: \_\_\_\_\_
7. ITEMIZED LIST OF PEOPLE TO BE RECRUITED BY SPECIALTY (one entry for each vacancy)  
\_\_\_\_\_(discipline -MD,NP,PA) \_\_\_\_\_(specialty)  
\_\_\_\_\_(discipline -MD,NP,PA) \_\_\_\_\_(specialty)
8. IF RECRUITING FOR A NP OR PA, PLEASE PROVIDE THE NAME OF THE PHYSICIAN WHO WILL SERVE AS PRECPTOR: \_\_\_\_\_



## 9. REQUIREMENTS FOR RECRUITMENT AND RETENTION ASSISTANCE

Please indicate, by checking the appropriate box, whether you comply with the following requirements.

- ☐ Site accepts Medicare and Medicaid patients.
- ☐ Site uses sliding discount fee schedule or other documented means that assures no financial barriers to care for those below 200% of poverty.
- ☐ Site has nondiscrimination policy that prohibits discrimination based on race, creed, disability or religion.
- ☐ Site assures that at least 80% of patients seen by the Virginia Loan Repayment Program recipient at site will be from the HPSA or VMUA to which providers are matched.
- ☐ Providers shall practice in ambulatory primary care settings that assure the availability of primary care services, including lab and x-ray, pharmacy, after-hours and inpatient coverage, and referral arrangements for services not available on site (not necessary for those practicing psychiatry).
- ☐ Site has credentialing program in place to review references and verify licensure and certification status of all providers, including National Practitioner Data Bank Query.
- ☐ Loan Repayment Program providers shall practice only in the approved HPSA or VMUA and at the site to which originally assigned unless a change is approved in writing by the Virginia Department of Health, Office of Health Policy and Planning.
- ☐ All non-federal Loan Repayment Program providers will have contracts or employment agreements that include the following: Providers shall perform full-time clinical practice, which is defined as a 40 hour minimum work week and minimum of 45 weeks per year (1800 hours). A workweek cannot be less than 4 days.
- ☐ Contract shall not restrict the continued practice of Loan Repayment Program provider in the HPSA or VMUA to which they are assigned after their obligation is completed.
- ☐ Site will document all circumstances surrounding resignation and terminations.

**This certifies that the information provided in this application is true and correct as of the date set forth opposite my signature. I also understand that any intentional or negligent misrepresentation(s) of the information contained in this application may result in the forfeiture of our entity's eligibility to participate in the Virginia Loan Repayment Program or the Virginia Recruitment and Retention Program for a period of not less than 2 years.**

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### Authorized Representative

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Phone Number: \_\_\_\_\_

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**\*Please return this form to the address or fax number listed above. Thank you!**

# **VIRGINIA LOAN REPAYMENT PROGRAM**

## **AUTHORIZATION OF RELEASE FORM**

I, \_\_\_\_\_, have applied to participate in the Bureau of Health Professions (BHPr), Division of State, Community and Public Health, Virginia State Loan Repayment Program (VA-SLRP), or the Virginia Loan Repayment Program (VLRP). This program offers primary care providers an opportunity to practice their profession in a community that lacks adequate primary health care services while paying off their outstanding educational loans. The amount awarded is to be used only to reduce the balance of principal and accrued interest. As part of the application process, the Virginia Department of Health, Office of Health Policy and Planning may verify information contained in my loan repayment application and in other documents required in connection with the loan repayment.

I authorize you to provide the Virginia Department of Health, Office of Health Policy and Planning any and all information and documentation that they request. A copy of this authorization may be accepted as an original.

Your prompt reply to the Virginia Department of Health, Office of Health Policy and Planning is appreciated, as delays may impact my ability to promptly receive loan repayment funds.

\_\_\_\_\_  
Loan Repayment Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Social Security Number

# **VIRGINIA LOAN REPAYMENT PROGRAM**

## **CERTIFICATION**

I, \_\_\_\_\_, hereby certify to the accuracy of the loan information provided. I hereby apply to enter into an agreement with the Virginia Health Commissioner for repayment of outstanding educational loans. I understand that funds received under this program shall be used exclusively for the repayment of outstanding educational loans, incurred solely for the costs of medical education, including reasonable living expenses. I further understand that I am responsible for and must adhere to all applicable federal income tax regulations.

I understand that the information I have provided is subject to verification and that any willfully false representation is sufficient cause for rejection of this application.

\_\_\_\_\_  
Loan Repayment Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Social Security Number

# **VIRGINIA LOAN REPAYMENT PROGRAM**

## **CERTIFICATION OF NONDELINQUENT STATUS**

The Federal Debt Collection Procedures Act of 1990 precludes a debtor who has a judgment lien against his/her property arising from a federal debt from receiving federal funds until the judgment lien is paid in full or otherwise satisfied. Applicants for either the Bureau of Health Professions (BHP), Division of State, Community and Public Health, Virginia State Loan Repayment Program (VA-SLRP), or the Virginia Loan Repayment Program (VLRP) must certify that they do not have a judgment lien against their property arising from federal debt.

I hereby certify that I [do ☐] [do not ☐] have a judgment lien against my property arising from a federal debt.

I hereby certify that I [am ☐] [am not ☐] delinquent on any federal debt.

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Signature

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Date

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Print Full Name

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Social Security Number

# VIRGINIA LOAN REPAYMENT PROGRAM

## Verification of Employment

I, \_\_\_\_\_, authorize my employer to provide the employment information requested by the Virginia Department of Health, Office of Health Policy and Planning. A copy of this authorization may be accepted as an original.

\_\_\_\_\_  
Signature of the LRP Recipient

\_\_\_\_\_  
Social Security #

\_\_\_\_\_  
Date

\_\_\_\_\_ has applied for the Virginia Loan Repayment Program with the Virginia Department of Health. Part of the application process requires certification from the employer of the applicant's employment status. Please complete the following section and return it to the address or fax number listed above. Thank you!

**Practice Specialty:** \_\_\_\_\_

**Specific Practice Site Name & Location:** \_\_\_\_\_

**Dates of Employment:** \_\_\_\_\_ **Yearly Salary:** \_\_\_\_\_

Has the physician worked at least 40 hours (full-time) per week (excluding time spent "on-call")?

☐ Yes ☐ No, Explain \_\_\_\_\_

Has the physician provided at least 32 hours (of the 40 hours) per week during normally scheduled office hours in the ambulatory setting?

☐ Yes ☐ No, Explain \_\_\_\_\_

Has the physician had a leave for more than 35 work days (7 weeks) during this period of employment?

☐ Yes ☐ No, Explain \_\_\_\_\_

**I certify that the above information is true and complete to the best of my knowledge.**

\_\_\_\_\_  
Name of Certifying Official

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature of Certifying Official

\_\_\_\_\_  
Date

Name of Organization: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone Number: \_\_\_\_\_

# **VIRGINIA LOAN REPAYMENT PROGRAM**

## **DOCUMENTS CHECKLIST**

This checklist has been provided to facilitate the application process. Please send us all the documents listed below to ensure that your application is complete.

### **SIGNED/COMPLETED LOAN REPAYMENT FORMS**

- ☐ Virginia Loan Repayment Application
- ☐ Loan Information and Verification/Release Forms for all loans to be repaid through Virginia Loan Repayment Program
- ☐ Virginia Loan Repayment Contract
- ☐ Site Application
- ☐ Authorization to Release Information
- ☐ Certification
- ☐ Verification of Employment
- ☐ Certification of Non-delinquent Status

### **OTHER DOCUMENTS**

- ☐ A signed Employment Contract
- ☐ A copy of your current Virginia License
- ☐ Proof of Citizenship (social security card/driver's license)
- ☐ Criminal History Check (through the Virginia State Police)
- ☐ Copy of loan applications and/or
- ☐ Loan Pay-off Statements

## VIRGINIA LOAN REPAYMENT PROGRAM CONTRACT

There are two programs administered by the Virginia Department of Health (VDH), Office of Health Policy and Planning (OHPP). They are described below:

The Bureau of Health Professions (BHP), Division of State, Community, and Public Health (DSCPH) implements Section 338I of the Public Health Services (PHS) Act, 42 U.S.C.q-1, which authorizes the Secretary to make grants to States to assist them in repayment of educational loans of health professionals who agree to provide primary health services in federally designated health professional shortages areas (HPSAs). The term HPSA, means a federally designated HPSA under Section 332 of the PHS Act, as amended. The term primary health services for the Virginia State Loan Repayment Program (VA-SLRP) means practitioners, internists, pediatricians, obstetricians and gynecologists, and general psychiatrists; primary care nurse practitioners (NPs); and primary care physician assistants (PAs).

The Board of Health established the Virginia Loan Repayment Program (VLRP) pursuant to § 32.1-122.6:1 of the *Code of Virginia*. The purpose of this program is to provide financial support in the form of loan repayment to participants serving in a federal health professional shortage area (HPSA) in Virginia, as identified by the Bureau of Primary Health Care (§ 332 of the *Public Service Act*) or in a Virginia Medically Underserved Area (VMUA), as identified by the Board of Health by regulations (§ 32.1-122.5 of the *Code of Virginia*).

This contract is for the loan repayment program checked below. (to be completed with assistance from the Program Coordinator of Loan Repayment Programs in VDH, Office of Health Policy and Planning):

VA-SLRP (funded by federal and state funds) ☐

VLRP (funded by state funds) ☐

An applicant becomes a *Participant* in the loan repayment program checked above, (hereinafter referred to as *Program*) only upon the State Health Commissioner or the Commissioner's designee (hereinafter referred to as *Commissioner*) and the applicant entering into this written contract.

The terms and conditions of participating in the *Program* are set forth below.

### **Section I. - The *Participant* and the *Commissioner* agree to the following terms:**

**A. QUALIFYING LOANS** The loans that qualify are graduate and undergraduate educational loans consisting of the principal, interest, and related expenses on government and commercial loans received by the *Participant* for the following expenses of enrollment in undergraduate or graduate school:

1. Tuition expenses;
2. All other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the *Participant*; and

3. Reasonable living expenses as estimated by the school as part of the school's standard student budget and determined reasonable by the *Commissioner*.

**B. LOAN REPAYMENT AMOUNT.** The loan repayment shall be for an amount provided in Paragraphs 1., 2., or 3. of Section I.B. (listed below), subject to the availability of funds appropriated by the U. S. Congress and the Virginia General Assembly for the *Program* and any unexpended and repaid money from the Virginia Medical Scholarship Program:

1. For four service years, the *Commissioner* will pay up to \$50,000 the first year for the initial two years of service and pay up to \$35,000 the third year for the third year of service and pay up to \$35,000 the fourth year for the fourth year of service for a maximum benefit of \$120,000. However, if the balance of the applicant's qualifying educational loans after the first two years of service is less than the maximum allowed, payment of the remaining qualifying educational loans will be made in the third and fourth year.
2. For three years service, the *Commissioner* will pay up to \$50,000 the first year for the initial two years of service and up to \$35,000 the third year for the third year of service. However, if the balance of the *Participant's* qualifying educational loans is less than \$35,000, payment of the remaining qualifying educational loans will be made in the third year.
3. For two years service, the *Commissioner* will pay up to \$50,000 the first year for two years of service. However, if the total amount of the *Participant's* qualifying educational loans is less than \$50,000, payment of the total qualifying educational loans will be made.

**C. OBLIGATION OF THE PARTICIPANT.** The *Participant* agrees to:

1. Accept loan payments from the *Commissioner* and apply such payments only to outstanding educational loans secured while attending a program of medical training which led to licensure as a physician, nurse practitioner, or physician's assistant;
2. Serve for not less than two years. In the event that continued funding is not available, the service obligation will be reduced proportionately;
3. Charge for professional services at the usual and customary rate prevailing in the area in which such services are provided;
4. Not discriminate against any person on the basis of their ability to pay for services or because payment for the health services provided to individuals is reimbursed by Medicare, Medicaid, or any other government health care reimbursement program;
5. Enter into an agreement with the state Medicaid agency to provide services to individuals entitled to medical assistance under the plan, unless practicing at a free clinic in Virginia that is a member of the Virginia Association of Free Clinics;
6. Repay to the *Program* an amount specified in Section II., *Breach of Written Loan Repayment Contract*, Subsections E., F, G., and H, whichever may apply, if the *Participant* fails to meet the terms of this contract;



7. Not owe an obligation for health professional service to the federal government, state, or other entity unless that obligation will be completely satisfied prior to the beginning of service under this *Program*;
8. Submit appropriate documentation of service as required by the *Commissioner* verifying the terms of the contract have been met every six (6) months;
9. Execute a release to allow the *Commissioner* access to loan records and to acquire information from lenders necessary to verify eligibility and to determine loan balances/payments;
10. Not hold the *Commissioner* responsible for any outstanding payments on principal and interest to any lenders once a *Participant's* eligibility in this *Program* expires;
11. Serve the period of obligated service by providing primary health services or psychiatry services, as determined by the *Commissioner* in the full-time (a minimum 40 hours per week for a minimum of 45 weeks per year) clinical practice of their health profession in the HPSA, VMUA, or state facility which has been approved by the *Commissioner*;
12. **Serve in accordance with paragraph 11 of this Subsection for \_\_\_\_\_ years.** The *Participant* must serve a minimum of two years and may serve a maximum of four years under this initial contract. Contract extensions for additional years may be available under the terms and conditions specified in Section IV. of this contract; and
13. Submit to a criminal history records check through the Virginia State Police. (Fees are the responsibility of the *Participant*).

**D. REPAYMENT OF LOANS.** Repayment shall be limited to loans covering reasonable educational and living expenses and shall include principal and interest. Repayment of loans shall begin after the *Commissioner* has received notification that the *Participant* has officially accepted placement and has begun the required service obligation. Payment shall be a lump-sum payment based on availability of funds. *Participants* violating the nondiscrimination provisions described in Section I., Subsection C.4. of this contract shall be declared ineligible for receiving loan repayments.

**E. EFFECTIVE DATE FOR START OF SERVICE.** Applicants become *Participants* only when the applicant and the *Commissioner* have signed the contract. Effective date for start of service under the contract is the date of employment or the date of the *Commissioner's* signature, whichever is later.

**F. CHANGE OF PRACTICE SITE.** If a *Participant* is unable to fulfill the service requirement at the selected site, he will be in breach of contract, unless the *Participant* is approved at another site in a HPSA, VMUA, or state facility not more than six (6) months after discontinuation of service. *Participant* is required to request in writing approval of the transfer site and deferment of six (6) months.

## **Section II. BREACH OF WRITTEN LOAN REPAYMENT CONTRACT**

The *Participant* shall be considered in breach of contract for any of the following reasons:

- A. *Participant* fails to complete their service obligation under the terms and conditions of this contract;

- B. *Participant* falsifies or misrepresents information on the application or employment verification forms or other required documentation;
- C. *Participant* is terminated for good cause;
- D. *Participant* violates the nondiscrimination provisions described in Section I., Subsection C. 4. of this contract.
- E. *Participant* agrees to serve for two years and, for any reason, fails to complete the period of obligated service, he shall be liable to the Commonwealth of Virginia (hereinafter referred to as Commonwealth) for an amount equal to the sum of:
  - 1. The total amount paid by the Commonwealth to the *Participant* under this contract; and
  - 2. An amount equal to the unserved obligation penalty set forth in Subsection H. of this section.
- F. *Participant* agrees to serve for more than two years and, for any reason, fails to complete at least two years of the period of obligated service, he shall be liable to the Commonwealth for the amount set forth in subsection E. of this section.
- G. *Participant* agrees to serve for more than two years and, for any reason, fails to complete the period of obligated service after completing at least two years of obligated service, then he shall be liable to the Commonwealth for an amount equal to the sum of:
  - 1. The total amounts paid by the Commonwealth to the *Participant* under this contract for any period of obligated service not served; and
  - 2. \$10,000, if the *Participant* fails to give the Commission at least one year notice of the intent to breach this contract.
- H. The unserved obligation penalty is an amount equal to the number of months of obligated service that were not completed by the *Participant* multiplied by \$1,000, except that if the *Participant* fails to complete one year of service, the unserved obligation penalty shall be equal to the number of months in the full period of obligated service multiplied by \$1,000.
- I. Any amount the Commonwealth is entitled to recover shall be paid within one year of the date the *Commissioner* determines that the *Participant* is in breach of this written contract.
- J. If the financial damages owed the Commonwealth are delinquent for more than three months, the *Commissioner* may refer the debt to one or all of the following: collection agency, Debt Set-Off Program through the Department of Taxation, Office of the Attorney General, and the appropriate credit reporting agencies.

### **Section III. CANCELLATION, SUSPENSION, AND WAIVER OF OBLIGATION**

- A. Any service or payment obligation incurred by the applicant under this contract will be canceled upon the applicant's death.

B. The *Commissioner* may waive or suspend the applicant's service or payment obligation incurred under this contract if the applicant's compliance with the terms and conditions of this contract is:

1. Impossible; or
2. Would involve extreme hardship and enforcement would be unconscionable.

#### **Section IV. CONTRACT EXTENSION**

- A. The *Participant* may, in accordance with the procedure established by the *Commissioner*, request an extension of this contract.
- B. Subject to the availability of funds appropriated by the Congress of the United States or the Virginia General Assembly for the *Program*, the *Commissioner* may approve a request for contract extension if the *Participant* remains eligible for continued participation in the *Program*.
- C. If the *Participant's* contract is extended, the *Commissioner* will, dependant on the amount of the applicant's remaining qualifying undergraduate and graduate educational loans, pay up to \$35,000 per year.

The *Commissioner* or the authorized representative must sign this contract before it becomes effective.

<hr/>	<hr/>	<hr/>
<i>Participant's Name</i>	<i>Participant's Signature*</i>	Date
<hr/>		<hr/>
State Health <i>Commissioner</i> or Authorized Designee		Date

**\* Before signing, be sure you have completed Section I., Subsection C.12. of this contract indicating the number of years of service you agree to perform. Please carefully review Section II, *Breach of Written Loan Repayment Contract*, before making a decision.**